



## HB 2411 – Industrial Site Loan Fund

This bill would authorize the Oregon Business Development Department (Department) to create a “patient capital” revolving loan program to facilitate development of industrial lands.

- The bill will provide upfront funding for development of industrial sites, with flexible terms to allow repayment as the sites begin to generate revenue for the borrowers.
- Publicly owned sites are eligible, as are privately owned sites with a development agreement with a local government partner.
- The Department will be allowed to provide a variety of financial assistance to support a wide range of eligible project types, including planning projects, infrastructure development, and acquisition.

Many regions of Oregon lack an adequate supply of market ready industrial sites. Even when land is zoned, planned and designated for future industrial uses, significant capital investments (e.g., infrastructure, brownfield clean up, wetland mitigation and site assemblage) may be required to make sites market ready. Many local jurisdictions and property owners are unable to afford these site investment costs. In the last few years, both the [Semiconductor](#) and [Clean Tech](#) task forces recommended supporting a new loan fund. Task force subcommittees on industrial lands estimated there is hundreds of millions of dollars in readiness work required for existing industrial-zoned lands around the State, and noted smaller rural jurisdictions do not have the same access to capital as larger urban jurisdictions.

The bill is very similar to the existing [SILL](#) (Semiconductor Industrial Lands Loan) program from SB 4 (2023), except the new fund will be available to any type of industry sector (not just semiconductor sites) and the SILL program focused on forgivable loans. The SILL program was funded with \$10M that will be fully committed by June 30, 2025.

This new loan program will complement the existing [RSIS](#) (Regionally Significant Industrial Site) program, but is not limited to RSIS sites alone. The new loan program will help with funding up-front costs for RSIS site development, allowing repayment as jobs come to the site receiving income tax reimbursement from the RSIS program.

- RSIS sites across the state (Hillsboro, Troutdale, and Pendleton) exceeded an annual average of 5,000 jobs on those sites in 2023, far more jobs than those that qualified for reimbursement. Estimated income taxes generated on these sites totaled \$20.25 million. The state reimbursed \$7.23 million to the RSIS sites, meaning the net revenue from these sites to the state was over \$13 million in just calendar year 2023.

HB 2411 is nearly identical to HB 2349, an agency concept. HB 2411 includes a \$40 million appropriation, while HB 2349 would be capitalized with \$10 million in the Governor’s budget.

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